

EXTENSIONS OF REMARKS

THE INTRODUCTION OF THE
"EQUAL TREATMENT OF PEN-
SIONS AND BANKRUPTCY ACT OF
2003"

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 2003

Mr. CONYERS. Mr. Speaker, today, I am introducing the "Equal Treatment of Pensions and Bankruptcy Act of 2003" to eliminate an unfair and abusive practice that has allowed corporate insiders to protect their exorbitant pensions even as their employees jobs and retirement savings are obliterated in bankruptcy.

Recently, some in top corporate management have attempted to insulate their pension benefits by placing them in a trust that would be beyond the reach of the bankruptcy court. As a result, while employees lose their jobs, pensions, and other benefits, these insiders are able to walk away from the bankrupt company with a substantial windfall. This immoral tactic does not benefit the rehabilitation of the business. To the contrary, it loots the company of assets that could be used to pay creditors, employees, and help the company successfully emerge from bankruptcy. It is bad for business, it is bad for unpaid creditors, it is bad for the families who are shattered by the failure of a company.

This is an ongoing problem. In April, American Airlines enraged employees by threatening to shut down the company if they didn't accept billions in steep pay and benefit cuts, while secretly setting aside millions in pension guarantees for top executives. Although CEO Donald Carty resigned in April, American has kept its executive pension plan.

The legislation provides that if the company places any supplemental retirement benefits or deferred compensation in a trust for the benefit of management or another insider, the court will have the authority to reclaim those funds for the benefit of the creditors, including the employees. It also clarifies that a party with an interest in the case or a committee of creditors may bring a motion to reclaim these funds if the trustee or the debtor in possession consents for fails to bring such a motion. While these parties are now permitted to bring such motions, as recently reaffirmed by the U.S. Court of Appeals for the Third Circuit in the Cybergenics case, this bill reaffirms that right under the Code.

This is pattern of abuse is becoming ever more widespread. We must protect the livelihood of the average American worker and their families and ensure that top executives are not allowed to pillage a firm and enjoy protection in bankruptcy that would be denied to the people who are least to blame for the bankruptcy.

A TRIBUTE TO TSCL'S
LEADERSHIP

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 2003

Mr. JONES of North Carolina. Mr. Speaker, it is a pleasure for me to introduce to you the TREA Senior Citizens League and its new leadership.

The TREA Senior Citizens League (TSCL) is a national group of politically active seniors concerned about the protection of their earned Social Security, Medicare, military, and other retirement benefits. TSCL originated as a group of retired enlisted servicemen and women. TSCL is among the largest seniors groups with over 1.2 million active members. It is a non-partisan, non-profit educational and advocacy organization.

Key issues for TSCL include Social Security COLA fairness; using a separate CPI-E consumer price index for the elderly to calculate COLA for seniors; Notch reform; and a fair medicare and prescription drug coverage. One of the main issues continues to center on Notch reform and providing either a lump sum benefit over four years or an improved benefit calculation for those individuals born in the years 1917–1926. It is also important to ensure that future generations do not receive lower benefits because of the year in which they were born or because of government miscalculations in the Social Security system.

Since 2001 TSCL has been under the leadership of Board of Trustees Chairman George Smith with board members Ms. Dottie Holmes, Mr. Fred Athans, Mr. Richard Brogan, and more recently Mr. Ralph McCutchen. The elected TSCL Board of Trustees is a volunteer board governing the organization. Retirees and near-retirees make up the board and volunteer their services with the goal of improving the lives of fellow seniors. It was a pleasure for me to meet with their fine Board of Trustees Members List October at their offices in Alexandria, Virginia.

Under the forward-looking leadership of George Smith, the organization is determined to gain greater credibility and respectability both in Congress and in the country as a whole. In this regard Chairman Smith is to be commended for enlisting my good friend and former colleague in Congress Former Ambassador David Funderburk as TSCL's Legislative Consultant.

The legislative program for the organization for the 108th Congress includes plans for personal meetings with over half of the Members of Congress to try to gain support for issues of interest to seniors and TSCL members. TSCL efforts in these tasks have been boosted by the recent scholarly study of noted economist Dr. John Haldi that verifies the viability of the Notch. The organization has an active website, newsletter and direct mail communication with its members.

Just in the first half of 2003, TSCL has hosted a press conference in the Capitol, and

worked with Members of Congress and the White House on the prescription drug issue. A Dear Colleague letter from six Members of Congress has introduced the organization and its issues to the whole Congress. Several Members of the House and Senate have recently contributed articles on seniors issues to the TSCL newsletter: The Social Security & Medicare Advisor. And I am pleased to say that TSCL strongly supports my bill: The Social Security Guarantee Act.

Since Mr. Smith took over leadership of the TSCL Board of Trustees he has brought a seriousness of purpose and a determination to build credibility and respect for the organization. He insisted that the group's educational efforts through direct mail be well researched and documented. As Chairman Smith says, TSCL does not sell anything. Rather it strives to educate the public about issues important to senior citizens. Since so many of them have served their country in the military and in so many other ways, they are especially deserving of fair treatment.

When Mr. Smith one day completes his voluntary stint as Chairman of the TSCL Board of Trustees he should be able to say that he has left the organization much better off than he found it. He is to be commended for his vision and his desire to help some of the most worthy and needy of all of our citizens: our senior citizens including many who served the military and fought for their country. I am happy to pay tribute to the organization and its leadership.

SHED LIGHT ON HIDDEN FEES

HON. LUIS V. GUTIERREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 2003

Mr. GUTIERREZ. Mr. Speaker, today I am introducing the "Wire Transfer Fairness and Disclosure Act of 2003," a bill to require additional disclosures relating to exchange rates in transfers involving international transactions.

Immigrants throughout the United States work hard, save money and send billions of dollars to relatives living in foreign countries. The money sent home helps finance basic needs ranging from food and medicine to education to new homes. Unfortunately, customers wiring money to Mexico are often losing millions of dollars to undisclosed "currency conversion fees" charged by giant firms such as Western Union and MoneyGram.

Wire Transfer companies aggressively target audiences in immigrant communities with ads promising low rates for international transfers. However, such promises are grossly misleading particularly for those with ties to Mexico or other Latin American countries, since companies do not always clearly disclose extra fees charges for converting dollars into Mexican pesos. While large wire service companies typically obtain pesos at bulk bargain rates, they charge a significant currency conversion fee to their U.S. customers. The exchange rate charged to customers sending

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U.S. dollars to Mexico routinely varies from the benchmark rates by as much as 15 percent. The profits from these hidden currency conversion fees are staggering, allowing companies to reap millions of dollars more than they make from service fees.

To address these problems, this Act requires full disclosure of all fees involved in all money-wiring transactions. More specifically, the bill requires that any financial institution or money transmitting business which initiates an international money transfer on behalf of a consumer (whether or not the consumer maintains an account at such institution or business) shall provide the following disclosures:

The exchange rate used by the financial institution or money transmitting business in connection with such transaction.

The exchange rate prevailing at a major financial center of the foreign country whose currency is involved in the transaction, as of the close of business on the business day immediately preceding the date of the transaction (or the official exchange rate, if any, of the government or central bank of such foreign country).

All commissions and fees charged by the financial institution or money transmitting business in connection with such transaction.

The exact amount of foreign currency to be received by the recipient in the foreign country, which shall be disclosed to the consumer before the transaction is consummated and printed on the receipt given to the consumer.

Mr. Speaker, I urge my colleagues to support this pro-consumer legislation.

HONORING AMERICAN ASSOCIATES, INC.

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 2003

Mr. KILDEE. Mr. Speaker, I am happy to rise before you today on behalf of a group of men and women who constantly help others live the American dream. On July 2, civic and community leaders will gather with the friends and families of American Associates, Inc. Real Estate Company, to celebrate the company's 20th anniversary.

For two decades, American Associates, located at 1453 N. Elms Road in my hometown of Flint, Michigan, has helped thousands of families achieve the dream of home ownership. Founded by Randy and Carol Haney, they, along with a staff of 40 agents, have specialized in finding new, used, and luxury homes for their customers. With the help of a computerized nationwide relocation service, the company has also been able to identify multi-family, industrial, and commercial properties, and even vacant lands.

Randy and Carol have also sought to place a strong influence on America as well. For the last 16 years, they, along with 250 volunteers from area youth, civic, school, and church groups, have distributed American flags throughout neighborhoods in Genesee County during the July 4th weekend. This year, American Associates plan to pass out 40,000 flags, and to date have distributed approximately 350,000. This selfless and patriotic gesture of goodwill serves to remind us all to celebrate the freedom we have as Americans, and to

strengthen our pride in the ideals on which our flag stands for.

Also this year, in memory of local resident Private First Class Jason Meyer, who heroically gave his life in service to his country in Iraq, American Associates has supplied a tree to be planted in a local park as a special tribute to the fallen soldier.

Mr. Speaker, as a Member of Congress, I consider it my duty and my privilege to protect and defend human dignity and the quality of life for our citizens. I am extremely grateful that people like Randy and Carol Haney, and the staff of American Associates, make my task easier. I ask my colleagues in the 108th Congress to please join me in commending them for going above and beyond to promote our great Nation.

CORPUS CHRISTI, AN ALL AMERICAN CITY

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 2003

Mr. ORTIZ. Mr. Speaker, I rise today to commend the City of Corpus Christi for the recent accomplishment of being recognized by the National Civic League as an All-America City. As a resident of Corpus Christi, I can wholeheartedly endorse the concept that Corpus Christi represents all the best in an American city.

Corpus Christi is a place where the pace is easy and the people are the best there is. It is peaceful and beautiful with beaches, military bases, high rises and a vibrant business community.

Corpus Christi's presentation included our Juvenile Assessment Center (an organization that helps decrease juvenile crime), Forward Corpus Christi (an economic development organization), the Air Quality Group (Corpus Christi is the only major city in Texas to meet state and federal air quality standards), and a local Junior ROTC team.

One of the central components of our community is our military complex. We often say South Texas is "Navy Country." Four separate bases are incorporated in the Corpus Christi area: an army base and three naval bases. The military presence in the area contributes 20% to our local economy.

Corpus Christi conveyed this pride in our military, and demonstrated the importance of our military community, by incorporating the nationally recognized efforts of the Flour Bluff Navy Jr. ROTC into the presentation.

It was the solemn and excellent presentation of the Jr. ROTC, which has won seven national titles for excellence, and which led the way for the city to win the recognition by the National Civic League as an All-America City.

Corpus Christi is the only city in Texas to receive this distinct honor this year.

I thank my friend, Robin Hayes of North Carolina, for introducing the resolution to officially commend the winners of this competition in the House of Representatives.

Mr. Speaker, I ask my colleagues to join me and the other co-sponsors of this resolution, all of whom are proud to live in an All-America City, in commending Corpus Christi and the other nine cities honored by the National Civic League.

THE PARK PROFESSIONALS PROTECTION ACT

HON. NICK J. RAHALL, II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 2003

Mr. RAHALL. Mr. Speaker today I am introducing legislation to protect the park professionals who "dedicate their careers to preserving our system of National Parks from the Bush Administration's privatization plan.

According to the Bush Administration, the rush to replace National Park Service employees with private-sector subcontractors is a harmless experiment to see if the services provided by thousands of dedicated public servants could be had more cheaply. The Administration claims it is considering only a small number of positions and asserts that taxpayers will see cost savings from this plan.

Unfortunately, this is just not the case. The Administration's privatization scheme is so vast, so unwarranted and so clumsy that it threatens to undermine both the National Park Service and the resources it was created to protect. To avoid this, I am introducing legislation to stop the Bush plan.

The Administration proposes to privatize approximately 1,700 full-time National Park Service employees by the end of next year. While this number alone is troubling, it is only the beginning. According to The Washington Post, the Administration has identified approximately 70% of the current NPS workforce it feels should be eligible for replacement by private workers.

And who are the people the Administration is seeking to replace? According to the Director of the National Park Service, nearly 90% of the men and women potentially eligible for privatization in the Washington, D.C. area are minorities and the numbers in areas such as Santa Fe and San Francisco are similarly lopsided.

Making matters worse, the alleged cost savings created by replacing these workers is unproven and unlikely. Despite paying private consultants more than \$5 million, or about three thousand dollars per position being considered, not a single study has been produced demonstrating even a nickel in savings. Meanwhile, that \$5 million came from funds intended to pay for the operation and maintenance of our National Parks.

Of course, the reason no savings can be demonstrated is that there are no savings to be had. This entire scheme is based on the premise that you can build a workforce of dedicated professionals, with the experience, institutional memory and expertise of the National Park Service, for less money. You can't.

The description on paper of an NPS employee's job doesn't begin to include all of the services that employee performs on the ground. Visitors don't direct their questions about plants and animals only to NPS biologists nor do they wait to ask questions regarding historic preservation until an NPS historian is available. Wildfires and heart attacks don't happen only when full-time fire fighters or EMTs are on duty.

The National Park Service challenges all of its employees, regardless of their actual job titles, to respond to all kinds of visitor needs, and the employees work hard to meet this challenge. This kind of all-out commitment and